

U.S. Department of Justice

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NEWS RELEASE

**FOR IMMEDIATE RELEASE
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**FOR FURTHER INFORMATION
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Paul J. McNulty, United States Attorney for the Eastern District of Virginia, announced that Kenneth K. Paik, age 36, of Annandale, Virginia, and a former principal of Rockville Motors, in Rockville, Maryland, pleaded guilty to one count of bank fraud before the Honorable Claude M. Hilton. Sentencing is set for November 22, 2002, at which time Paik faces a maximum penalty of 30 years incarceration and a \$1 million fine.

In 1999, Paik obtained five bank loans for the purchase of fictitious automobiles, totaling approximately \$94,000, by impersonating Seung Il Kim, a South Korean journalist who had visited the United States in 1997-1998 and then returned to South Korea.

In order to impersonate Kim, Paik obtained a Virginia driver's license containing his own picture but with the name and identifying information of Seung Il Kim -- information Paik had obtained from Kim when Kim purchased an automobile from Rockville Motors during his one year stay in the United States. While posing for the Virginia DMV photograph, under the name of Seung Il Kim, Paik attempted to disguise his appearance by combing his hair differently and wearing glasses. To further the scheme, Paik also provided the five banks with phony employment and income data, addresses, and phone numbers for Seung Il Kim. Paik later negotiated the loan checks and used the funds for his own personal benefit.

Paik made payments on the fraudulent loans for one or two months, then stopped making payments. Since there were no automobiles to repossess and no Seung Il Kim to locate at the phony address and place of employment, each bank lost 100% of the loan amount.

The investigation was conducted by agents of the Federal Bureau of Investigation and prosecuted by Assistant United States Attorney Stephen P. Learned and Special Assistant United States Attorney Eric D. Edmondson.